

CONNECTICUT MARINE TRADES ASSOCIATION

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February 18, 2014

Labor and Public Employees Committee
Legislative Office Building
Hartford, CT 06106

Re: **S.B. No. 32 An Act Concerning Working Families' Wages.**

Chairmen Osten & Tercyak, Senator Markley, Representative Smith, and Distinguished Members;

The Connecticut Marine Trades Association (CMTA) and our member businesses urge you to not support **S.B. No. 32 An Act Concerning Working Families' Wages**. Since 2003 a "minimum fair wage" has been an annual focus of this legislature, writing not only periodic increases into statute but specifying that in Connecticut the minimum wage would always be slightly ahead of the highest federal minimum wage. This policy, with other business mandates has kept labor costs in Connecticut some of the highest, if not the highest in the nation, complicating any possible or potential rebound in the business market.

Minimum wage jobs are essentially entry level positions, not long-term employment and allow employers an opportunity to assess and evaluate an employee's fit to the position. Part-time workers, high school and college students entering the workforce fill the ranks of minimum wage earners and don't expect to support themselves on their weekly earnings. The transitional and transitory nature of entry level positions doesn't return enough in value to the employer to warrant any significant increase in wages.

Basic principles of economics show that the demand for a commodity like jobs, will decrease as the price (cost of employment) increases. Higher minimum wages will encourage employers to decrease the pool of opportunity and fewer jobs will be available. This could actually cause some workers to lose their positions. Additionally, the increases included in the bill, at 5% per year, far exceed most increases in other workers' wages, if they had any increases at all. Many employees saw little or no raises over the past 4 years, certainly not 5% per year.

We urge you again to not support **S.B. No. 32 An Act Concerning Working Families' Wages**. It is an excessive step, unwarranted and would make another unnecessary burden on employer's costs of business at a time when moderation and business friendly changes should be in the forefront.

Thank you for the opportunity to comment on this issue and please know that we are available to discuss them at any time.

Sincerely,

John S. Johnson
Legislative Chair

Grant W. Westerson
President

Linda A. Kowalski
The Kowalski Group